



# Southeastern Idaho News

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA & POWER COUNTIES

## ECONOMIC TRENDS

The Pocatello Metropolitan Statistical Area's seasonally adjusted unemployment rate was 3.5 percent in February, unchanged from January. But the rate remained well below one year ago when it was 4.3 percent.

The region gained 500 nonfarm payroll jobs during the month. While goods-producing industries lost 110 jobs, the service sector gained 660. The loss of goods-producing jobs occurred in construction where harsh winter weather prevented new activity and in manufacturing where downsizing began at Ballard Kimberly-Clark.

The return to a regular school schedule after the holiday and semester breaks drove job gains in the service sector. Professional and business services posted job gains primarily because of inventory and tax preparation activities. Job activity followed normal seasonal patterns except for the permanent manufacturing job losses at Ballard Kimberly-Clark. Those jobs will be phased out over the next year as the business moves production to Mexico.

## SPECIAL TOPIC: Population Trends

New estimates from the U.S. Census Bureau show the population of southeastern Idaho grew nearly 1 percent from mid-2004 to mid-2005. The population increased from 158,622 to 159,334 for a gain of 712. Southeastern Idaho experienced slow population growth compared to 2.4 percent estimated statewide. Idaho was the third fastest growing state in the nation behind Nevada and Arizona. The U.S. grew 0.9 percent. Southeastern Idaho's growth was also slow when compared to other regions of the state.

Net out-migration kept southeastern Idaho's population growth at a minimum because 919 more people moved out of the area than moved in. Southeastern Idaho Graph 1 on page 18 shows population changes in the seven southeastern Idaho counties from 2000 and 2004. In 2005, the counties with the highest rate of growth were Franklin and Oneida with 1.8 percent and 1.9 percent, respectively. Two counties lost population; Bear Lake County fell 1.2 percent and Caribou County declined 1.3 percent.

From 2000, the counties with the highest rate of growth were Franklin at 8.9 percent and Bingham at 4.6 percent. Caribou County

Southeastern Idaho Table 1: Pocatello MSA Labor Force & Employment  
Bannock and Power counties

	Feb 2006*	Jan 2006	Feb 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	44,860	44,080	44,640	1.8	0.5
Unemployment	1,590	1,540	1,910	3.2	-16.8
% of Labor Force Unemployed	3.5	3.5	4.3		
Total Employment	43,270	42,540	42,730	1.7	1.3
<b>Unadjusted</b>					
Civilian Labor Force	45,880	44,740	45,790	2.5	0.2
Unemployment	1,980	1,980	2,370	0.0	-16.5
% of Labor Force Unemployed	4.3	4.4	5.2		
Total Employment	43,900	42,760	43,420	2.7	1.1
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	38980	38430	38170	1.4	2.1
<b>Goods-Producing Industries</b>	5390	5500	5260	-2.0	2.5
Natural Resources & Mining	20	20	20	0.0	0.0
Construction	2100	2130	1940	-1.4	8.2
Manufacturing	3270	3350	3300	-2.4	-0.9
Food Manufacturing	950	940	950	1.1	0.0
Fabricated Metal Product Manufacturing	140	140	150	0.0	-6.7
Machinery Manufacturing	80	80	80	0.0	0.0
Other Manufacturing	2100	2190	2120	-4.1	-0.9
<b>Service-Providing Industries</b>	33590	32930	32910	2.0	2.1
Trade, Transportation & Utilities	7300	7320	7040	-0.3	3.7
Wholesale Trade	1360	1340	1300	1.5	4.6
Retail Trade	4510	4550	4270	-0.9	5.6
Utilities	50	50	50	0.0	0.0
Transportation & Warehousing	1380	1380	1420	0.0	-2.8
Information	760	760	730	0.0	4.1
Financial Activities	2130	2130	2070	0.0	2.9
Professional & Business Services	4950	4790	4680	3.3	5.8
Educational & Health Services	3440	3390	3230	1.5	6.5
Leisure & Hospitality	3230	3280	3430	-1.5	-5.8
Other Services	1210	1190	1200	1.7	0.8
Government Education	6130	5680	6190	7.9	-1.0
Government Administration	4440	4390	4340	1.1	2.3

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

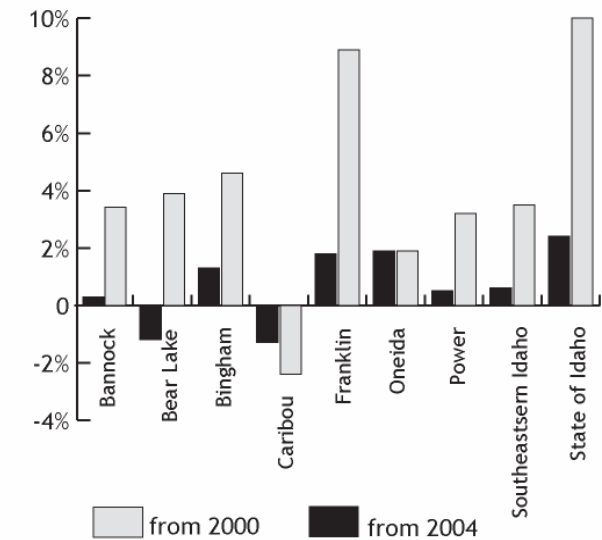
was the only county to experience a decline in its population between 2000 and 2005, dropping 2.4 percent

Population fluctuations in Bannock, Bear Lake, Caribou and Power counties occurred mainly because of the loss of family-wage jobs that forced people to find suitable employment elsewhere. Population increases in Franklin and Bingham counties mainly reflected migration from the Idaho Falls and Logan, Utah, areas to take advantage of lower property values and a more rural lifestyle.

## 2005 Area Construction

Final 2005 construction report from Wells Fargo Bank showed construction in southeastern Idaho increasing 18.3 percent from 2004.

Southeastern Idaho Graph 1: Population Growth Rates, 2000 to 2005 and 2004 - 2005



The report provides data on Bannock, Bingham, Franklin and Power counties and the cities of Montpelier and Soda Springs.

Construction values exceeded \$174 million last year and provided excellent job opportunities for construction workers throughout the region. Southeastern Idaho Graph 2 shows the rate of change in total construction for each of the reporting areas and Southeastern Idaho Graph 3 shows the rate of change in residential and commercial construction for each. The region's construction growth, while still brisk, fell short of that experienced statewide because of activity in high-growth areas.

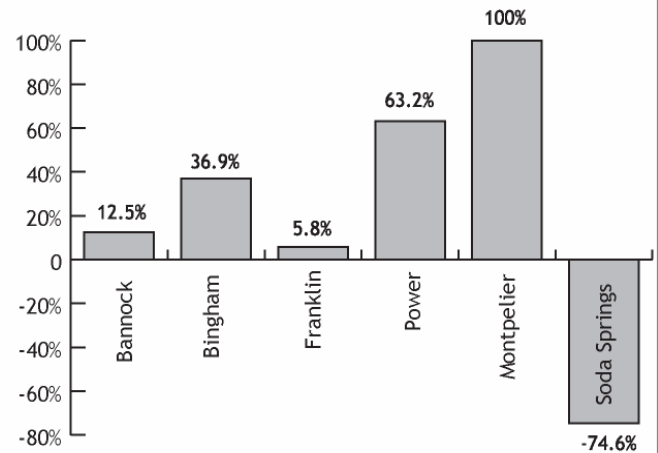
Even though the amount of construction activity in Bannock County in 2004 was extremely high because of several large commercial construction projects, the county still managed to increase its construction activity by over 12 percent in 2005. Residential construction increased 14 percent and commercial construction increased 19 percent. Several more residential and commercial projects have started or are planned to start in 2006 so the county should enjoy continued strong construction activity throughout this year.

Bingham County experienced phenomenal construction activity in 2005. An increase of nearly 40 percent over the year was driven mostly by commercial construction. Residential construction grew 35 percent, an impressive gain but still far lower than commercial construction, which grew 63 percent. Several new residential subdivisions are planned, and construction of Premier Technology's new facility near Blackfoot should provide plenty of work throughout 2006.

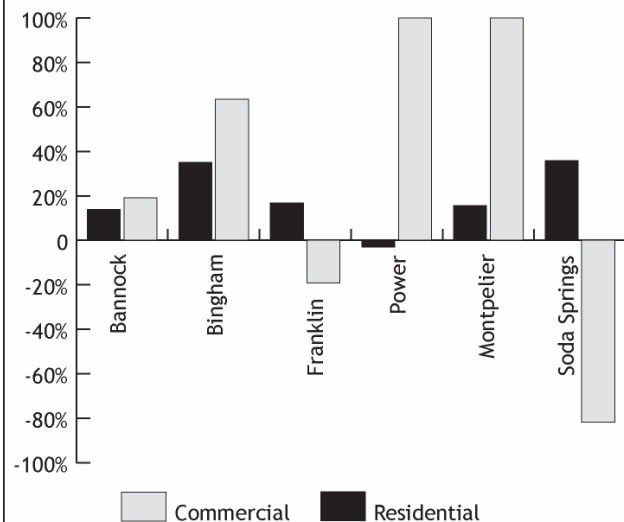
Franklin County's construction activity increased 5.8 percent in 2005 over 2004. Growth was mainly in residential construction, which increased nearly 20 percent. As cities within the county continue to make infrastructure improvements to accommodate residential and commercial growth, construction should continue to improve this year.

Power County saw commercial construction more than double during 2005 while residential construction activity fell just over 3 percent. More commercial construction projects are planned for 2006, and with a slight increase in residential construction the county will likely show growth this year.

Southeastern Idaho Graph 2: Total Construction 2004-2005



Southeastern Idaho Graph 3: Commercial-Residential Construction Growth, 2004-2005



Remodeling and expansion projects at Bear Lake Memorial Hospital drove Montpelier's commercial construction activity up more than 100 percent in 2005. Residential construction began to pick up last year as employment in the area grew. With a higher number of people working, residential construction will likely improve in 2006.

Soda Springs was alone in reporting reduced construction activity in 2005 from 2004. In 2004, Caribou County built a new jail in Soda Springs, which pushed construction activity up. But without another large project last year, activity fell by more than \$3 million. Residential construction managed to increase slightly over the year. The loss of mining and manufacturing jobs throughout Caribou County led to a decline in its population base and kept new construction at a minimum. But as the county adjusts to structural economic changes, residential and commercial construction should begin to improve.

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